

Senate File 242

S-3115

1 Amend Senate File 242 as follows:

2 1. By striking everything after the enacting clause
3 and inserting:

4 <Section 1. Section 123.3, Code 2011, is amended by
5 adding the following new subsections:

6 NEW SUBSECTION. 014A. "Grocery store" means any
7 retail establishment, the business of which consists
8 of the sale of food, food products, or beverages for
9 consumption off the premises.

10 NEW SUBSECTION. 022A. "Micro-distilled spirits"
11 means distilled spirits fermented, distilled, or, for
12 a period of two years, barrel matured on the licensed
13 premises of the micro-distillery where fermented,
14 distilled, or matured. "Micro-distilled spirits" also
15 includes blended or mixed spirits comprised solely of
16 spirits fermented, distilled, or, for a period of two
17 years, barrel matured at a micro-distillery.

18 NEW SUBSECTION. 022B. "Micro-distillery" means a
19 business with an operational still which, combining all
20 production facilities of the business, produces and
21 manufactures less than fifty thousand proof gallons of
22 distilled spirits on an annual basis.

23 NEW SUBSECTION. 26A. "Pharmacy" means a drug store
24 in which drugs and medicines are exposed for sale and
25 sold at retail, or in which prescriptions of licensed
26 physicians and surgeons, dentists, or veterinarians are
27 compounded and sold by a registered pharmacist.

28 NEW SUBSECTION. 32A. "School" means a public or
29 private school or that portion of a public or private
30 school which provides facilities for teaching any grade
31 from kindergarten through grade twelve.

32 Sec. 2. Section 123.3, subsection 14A, Code 2011,
33 is amended to read as follows:

34 14A. "High alcoholic content beer" means beer
35 which contains more than five percent of alcohol by
36 weight, but not more than twelve percent of alcohol
37 by weight, that is made by the fermentation of an
38 infusion in potable water of barley, malt, and hops,
39 with or without unmalted grains or decorticated and
40 degerminated grains. Not more than one and five-tenths
41 percent of the volume of a "high alcoholic content beer"
42 may consist of alcohol derived from added flavors and
43 other nonbeverage ingredients containing alcohol. The
44 added flavors and other nonbeverage ingredients may
45 not include added caffeine or other added stimulants
46 including but not limited to guarana, ginseng, and
47 taurine.

48 Sec. 3. Section 123.3, subsection 22A, Code 2011,
49 is amended to read as follows:

50 22A. "Native wine" means wine manufactured ~~in this~~

1 state pursuant to section 123.56 by a manufacturer of
2 native wine.

3 Sec. 4. Section 123.6, Code 2011, is amended to
4 read as follows:

5 **123.6 Appointment — term — expenses —**
6 **compensation.**

7 Appointments shall be for five-year staggered
8 terms beginning and ending as provided by section
9 69.19 and shall be made by the governor, subject to
10 confirmation by the senate. Members of the commission
11 shall be chosen on the basis of managerial ability and
12 experience as business executives. ~~One member~~ Not
13 more than two members of the commission may be the
14 holder of or have an interest in a permit or license
15 to manufacture alcoholic liquor, wine, or beer or to
16 sell alcoholic liquor, wine, or beer at wholesale or
17 retail. A member may be reappointed for one additional
18 term. Each member appointed is entitled to receive
19 reimbursement of actual expenses incurred while
20 attending meetings. Each member of the commission may
21 also be eligible to receive compensation as provided
22 in section 7E.6.

23 Sec. 5. Section 123.9, Code 2011, is amended to
24 read as follows:

25 **123.9 Commission meetings.**

26 The commission shall meet on or before July 1 of
27 each year for the purpose of selecting one of its
28 members as chairperson, ~~which member shall serve in~~
29 ~~such capacity~~ for the succeeding year. The commission
30 shall otherwise meet quarterly or at the call of
31 the chairperson or administrator or, when any three
32 members file ~~with the chairperson~~ a written request
33 for a meeting. Written notice of the time and place
34 of each meeting shall be given to each member of the
35 commission. ~~All commission meetings shall be held~~
36 ~~within the state.~~ A majority of the commission members
37 shall constitute a quorum.

38 Sec. 6. Section 123.30, subsection 3, paragraph
39 e, subparagraph (1), Code 2011, is amended to read as
40 follows:

41 (1) A class "E" liquor control license may be
42 issued and shall authorize the holder to purchase
43 alcoholic liquor from the division only and high
44 alcoholic content beer from a class "AA" beer permittee
45 only and to sell the alcoholic liquor and high
46 alcoholic content beer to patrons for consumption
47 off the licensed premises and to other liquor control
48 licensees. ~~A class "E" license shall not be issued~~
49 ~~to premises at which gasoline is sold.~~ A holder of
50 a class "E" liquor control license may hold other

1 retail liquor control licenses or retail wine or beer
2 permits, but the premises licensed under a class "E"
3 liquor control license shall be separate from other
4 licensed premises, though the separate premises may
5 have a common entrance. However, the holder of a class
6 "E" liquor control license may also hold a class "B"
7 wine or class "C" beer permit or both for the premises
8 licensed under a class "E" liquor control license.

9 Sec. 7. Section 123.31, unnumbered paragraph 1,
10 Code 2011, is amended to read as follows:

11 ~~Except as otherwise provided in section 123.35,~~
12 verified ~~Verified~~ applications for the original
13 issuance or the renewal of liquor control licenses
14 shall be filed at the time and in the number of
15 copies as the administrator shall prescribe, on forms
16 prescribed by the administrator, and shall set forth
17 under oath the following information:

18 Sec. 8. Section 123.36, subsection 8, Code 2011, is
19 amended to read as follows:

20 8. a. Class "E" liquor control license, a sum
21 determined as follows:

22 (1) For licensed premises at which gasoline is not
23 sold, a sum of not less than seven hundred and fifty
24 dollars, and not more than seven thousand five hundred
25 dollars as determined on a sliding scale as established
26 by the division taking into account the factors of
27 square footage of the licensed premises, the location
28 of the licensed premises, and the population of the
29 area of the location of the licensed premises.

30 (2) For licensed premises at which gasoline is
31 sold, a sum equal to the following:

32 (a) For premises located within the corporate
33 limits of a city with a population of less than one
34 thousand five hundred, three thousand five hundred
35 dollars.

36 (b) For premises located within the corporate
37 limits of a city with a population of at least one
38 thousand five hundred but less than ten thousand, five
39 thousand dollars.

40 (c) For premises located within the corporate
41 limits of a city with a population of ten thousand
42 population or more, the greater of five thousand
43 dollars or the amount that would be established
44 pursuant to subparagraph (1) if gasoline were not sold
45 at the premises.

46 (d) For premises located outside the corporate
47 limits of any city, a sum equal to that charged in the
48 incorporated city located nearest the premises to be
49 licensed. If there is doubt as to which of two or more
50 differing corporate limits is the nearest, the license

1 fee which is the largest shall prevail. However, if
2 the premises is located in an unincorporated town, for
3 purposes of this subparagraph, the unincorporated town
4 shall be treated as if it is a city.

5 b. Notwithstanding subsection 5, the holder of a
6 class "E" liquor control license may sell alcoholic
7 liquor for consumption off the licensed premises
8 on Sunday subject to section 123.49, subsection 2,
9 paragraph "b".

10 Sec. 9. Section 123.43A, subsection 1, Code 2011,
11 is amended by striking the subsection.

12 Sec. 10. Section 123.46, subsection 1, paragraph d,
13 Code 2011, is amended by striking the paragraph.

14 Sec. 11. Section 123.56, Code 2011, is amended by
15 adding the following new subsection:

16 NEW SUBSECTION. 6A. A manufacturer may use the
17 space and equipment of another manufacturer for the
18 purpose of manufacturing native wine, provided that
19 such an alternating proprietorship arrangement is
20 approved by the alcohol and tobacco tax and trade
21 bureau of the United States department of the treasury.
22 A separate class "A" wine permit shall be issued to
23 each manufacturer, and each manufacturer shall be
24 subject to the provisions of this chapter and the rules
25 of the division. Notwithstanding subsection 5, not
26 more than one class "C" native wine permit shall be
27 issued to a premises with alternating proprietorships.

28 Sec. 12. Section 123.129, subsection 1, Code 2011,
29 is amended by striking the subsection.

30 Sec. 13. Section 123.134, subsection 5, Code 2011,
31 is amended by striking the subsection.

32 Sec. 14. Section 123.141, Code 2011, is amended to
33 read as follows:

34 **123.141 Keeping liquor where beer is sold.**

35 No alcoholic liquor for beverage purposes shall be
36 used, or kept for any purpose in the place of business
37 of class "B" permittees, or on the premises of such
38 class "B" permittees, at any time. A violation of
39 any provision of this section shall be grounds for
40 suspension or revocation of the permit pursuant to
41 section 123.50, subsection 3. This section shall not
42 apply in any manner or in any way, ~~to any railway~~
43 ~~car of any dining car company, sleeping car company,~~
44 ~~railroad company or railway company, having a special~~
45 ~~class "B" permit,~~ to the premises of any hotel or motel
46 for which a class "B" permit has been issued, other
47 than that part of such premises regularly used by the
48 hotel or motel for the principal purpose of selling
49 beer or food to the general public; or to drug stores
50 regularly and continuously employing a registered

1 pharmacist, from having alcohol in stock for medicinal
2 and compounding purposes.

3 Sec. 15. Section 123.142, unnumbered paragraph 1,
4 Code 2011, is amended to read as follows:

5 It is unlawful for the holder of a class "B" or
6 class "C" permit issued under this chapter to sell
7 beer, except beer brewed on the premises covered by
8 a special class "A" permit or beer purchased from a
9 person holding a class "A" permit issued in accordance
10 with this chapter, and on which the tax provided in
11 section 123.136 has been paid. However, this section
12 does not apply to ~~the holders of special class "B"~~
13 ~~permits issued under section 123.133 for sales in cars~~
14 ~~engaged in interstate commerce nor to class "D" liquor~~
15 control licensees as provided in this chapter.

16 Sec. 16. REPEAL. Sections 123.35, 123.133,
17 123.153, 123.154, 123.155, 123.156, 123.157, 123.158,
18 123.159, 123.160, 123.161, and 123.162, Code 2011, are
19 repealed.

20 Sec. 17. EFFECTIVE UPON ENACTMENT. The section
21 of this Act amending section 123.3, subsection 14A,
22 regarding the definition of high alcoholic content
23 beer, being deemed of immediate importance, takes
24 effect upon enactment.>

25 2. Title page, by striking lines 2 and 3 and
26 inserting <beverages division of the department of
27 commerce, including alcoholic beverage permits and
28 licenses and administrative provisions, modifying fees,
29 and including effective date provisions.>

30 3. By renumbering as necessary.

BRIAN SCHOENJAHN